

## Message Text

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ACTION L-02

INFO OCT-01 ARA-06 ISO-00 SP-02 AID-05 EB-04 NSC-05 RSC-01

CIEP-01 TRSE-00 SS-15 STR-01 OMB-01 CEA-01 CIAE-00

COME-00 FRB-01 INR-05 NSAE-00 XMB-02 OPIC-03 LAB-01

SIL-01 H-01 /059 W

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R 312013Z OCT 74

FM AMEMBASSY BUENOS AIRES

TO SECSTATE WASHDC 8670

LIMITED OFFICIAL USE BUENOS AIRES 8020

E.O. 11652: N/A

TAGS: ETEL, EINV, AR

SUBJ: ITT/STANDARD ELECTRIC

REF: BA 7747

1. EMBASSY ADVISED BY STANDARD ELECTRICS GENERAL MANAGER THAT OCT 21 MEETING ARRANGED BY AMB ORFILA WITH COMMUNICATIONS SECRETARY DELFOR OTERO CANCELLED AS RESULT OF RESIGNATION OF ECONOMIC TEAM SAME DAY. NO SUBSEQUENT MEETINGS HELD WITH GOA OFFICIALS AND NO REPLY RECEIVED TO ITT'S OCT 15 OFFER DESCRIBED REFTEL. DESIGNATION OF NEW COMMUNICATIONS SECRETARY REPORTEDLY STILL UNDER STUDY, AND STANDARD EXPECTS NO FURTHER DISCUSSIONS UNTIL THIS SETTLED.

2. COMPANY CLAIMS IT NOW SHORT OF FUNDS AND WILL BE UNABLE TO MEET OCTOBER PAYROLL. EMERGENCY PAYMENT OF US 2.5 MILLION OF ENTEL DEBT TO ENABLE COMPANY TO PAY EMPLOYEES HAD BEEN PROMISED BY OTERO DAY OR TWO BEFORE HIS RESIGNATION BUT HAS NOW BEEN DELAYED. UP TO NOW COMPANY HAS ENJOYED RELATIVELY GOOD RELATIONS WITH ITS EMPLOYEES, BUT THIS SITUATION COULD CHANGE QUICKLY IF PAYMENT OF WAGES SUBSTANTIALLY DELAYED.

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3. STANDARDS LOCAL MANAGER TRAVELLING TO US EARLY NEXT

WEEK TO DISCUSS SITUATION WITH ITT OFFICIALS. HE GAVE NO INDICATION OF WHAT COMPANY MAY DO NEXT AND MADE NO REFERENCE TO NEW YORK OFFICES EARLIER REQUEST FOR EMBASSY ASSISTANCE IN ARRANGING MEETING WITH MIN OF ECON GELBARD. WE PRESUME ITT OFFICIALS MAINTAINING CONTACT WITH AMB ORFILA, WHE WE BELIVE TO BE IN BEST POSITION TO ASSIST THEM AT THIS TIME, AT LEAST UNTIL LINES OF AUTHORITY WITHIN NEW ECONOMIC TEAM ARE MORE CLEARCUT.

4. AMBSADOR HAS REQUESTED APPOINTMENT TO CALL ON NEW MIN OF ECON NEXT WEEK AND WILL THEN RAISE SUBJECT OF THIS TELEGRAM AS WELL AS OTHER ECONOMIC ITEMS OF MUTUAL INTEREST BETWEEN THE US AND ARGENTINA.

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** NATIONALIZATION, WAGES, LABOR RELATIONS, BUSINESS LOSSES, DEBT REPAYMENTS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 31 OCT 1974  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** boyleja  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1974BUENOS08020  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D740312-0588  
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**Office:** ACTION L  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
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**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** BA 7747  
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**Review Date:** 16 JUL 2002  
**Review Event:**  
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30 JUN 2005

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**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** ITT/STANDARD ELECTRIC  
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**Type:** TE  
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